

Class Action Settlement Raises Questions About the Deceptive Practices of Other Propane Providers

Attorney **Jack Scarola** and co-counsel Lance Harke of Harke, Clasby and Bushman settled a class action lawsuit brought under the Florida Unfair and Deceptive Trade Practices Act against Florida Public Utilities. The class representative alleged that the company had been deceiving its customers by charging them a monthly "regulatory compliance fee" when in fact, the company had no regulatory compliance costs. The class included only those customers who buy propane and not those who buy natural gas, which is subject to regulatory compliance costs. The matter was materially handled in less than six months: The case was filed on May 27, 2010 and the Preliminary Approval Order determining the fairness of the settlement was issued on October 7, 2010. The suit settled for just under \$1 million with over 15,000 class members receiving automatic cash refunds of a substantial portion of the amounts they had been wrongfully charged over a four year period. Attorneys' fees were considered separately and will not affect the class' proceeds. Additionally, the company has agreed to change its billing practices so that they are no longer deceptive. The legal team that investigated and corrected the corporate plundering has become aware that other propane providers have been charging similarly deceptive "regulatory compliance fees" when, in fact, no regulations apply to the propane industry as opposed to the natural gas industry which is subject to government regulation.

Heritage Propane and Sawyer Gas are currently being reviewed for practices similar to those in which Florida Public Utilities was engaging. If you have noted such charges in your propane bills from these or any other propane companies and would like to learn more, visit searcylaw.com and fill out the on-line "contact us" form. ♦



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